

a-cap
RESOURCES LTD

Annual General Meeting November 2016

**Amended Presentation
30 November 2016**



Disclaimer

This presentation has been prepared by A-Cap Resources Limited (“A-Cap”). The information contained in this presentation is for informational purposes only and does not constitute an offer to issue, or arrange to issue, securities or other financial products. The information contained in this presentation is not investment or financial product advice and is not intended to be used as the basis for making an investment decision. The presentation has been prepared without taking into account the investment objectives, financial situation or particular needs of any particular person. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. To the maximum extent permitted by law, none of A-Cap, its directors, employees or agents, nor any other person accepts any liability, including, without limitation, any liability arising out of fault of negligence, for any loss arising from the use of the information contained in this presentation. In particular, no representation or warranty, express or implied is given as to the accuracy, completeness or correctness, likelihood of achievement or reasonableness or any forecasts, prospects or returns contained in this presentation nor is any obligation assumed to update such information. Such forecasts, prospects or returns are by their nature subject to significant uncertainties and contingencies. No representation is made that, in relation to the tenements the subject of this presentation, A-Cap has now or will at any time in the future develop further resources or reserves within the meaning of the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code).

Before making an investment decision, you should consider, with or without the assistance of a financial adviser, whether an investment is appropriate in light of your particular investment needs, objectives and financial circumstances.

By accepting this presentation, the recipient represents and warrants that it is a person to whom this presentation may be delivered or distributed without a violation of the laws of any relevant jurisdiction. This presentation is not to be disclosed to any other person or used for any other purpose and any other person who receives this presentation should not rely or act upon it. Information contained in this presentation is confidential information and the property of A-Cap. It is made available strictly for the purposes referred to above. The presentation and any further confidential information made available to any recipient must be held in complete confidence and documents containing such information may not be reproduced, used or disclosed without the prior written consent of A-Cap. This presentation must not be disclosed, copied, published, reproduced or distributed in whole or in part at any time without the prior written consent of A-Cap and by accepting the delivery or making to it of this presentation, the recipient agrees not to do so and to return any written copy of this presentation to A-Cap at the request of A-Cap.

The information relating to forecast production and project economics set out on slides 4 and 12 are based on the outcomes of a Technical Study which was previously released to the ASX on 11 September 2015 “*Mining Licence Application Submitted & Technical Study Outcomes*”. All material assumptions underpinning production targets or forecast financial information derived from production targets in the aforementioned initial announcement continue to apply and have not materially changed. The Technical Study outcomes and production targets reflected in this presentation are preliminary in nature as conclusions are drawn partly from indicated mineral resources and partly from inferred mineral resources. The Technical Study is based on lower level technical and economic assessments and is insufficient to support estimation of ore reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the Technical Study will be realised. There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised.

A-Cap Overview

CORPORATE



WELL FUNDED - with strong
shareholder support

BASED IN BOTSWANA - safe and stable
jurisdiction

EXPERIENCED MANAGEMENT - and technical
team

Lethakane Uranium Project Overview

- **Advanced Uranium Project** – Mining licence granted Sep-16
- **Environmental Impact Statement** – approved May-16
- **Surface Rights** – provisionally granted, Jun-16
- **Low cost mining and processing operation**
- **Low CAPEX** – all infrastructure available
- **Initial production (3Mlbs pa U₃O₈) - 18 year Mine Life**
- **Project planned for early development and production** - capitalising on recovery of uranium market
- **A-Cap production timeline** - in line with uranium market demand and price increases



Corporate Overview

CAPITAL STRUCTURE

SHARE PRICE

5.6 Cents*

SHARES

859 Million
Shares*

OPTIONS

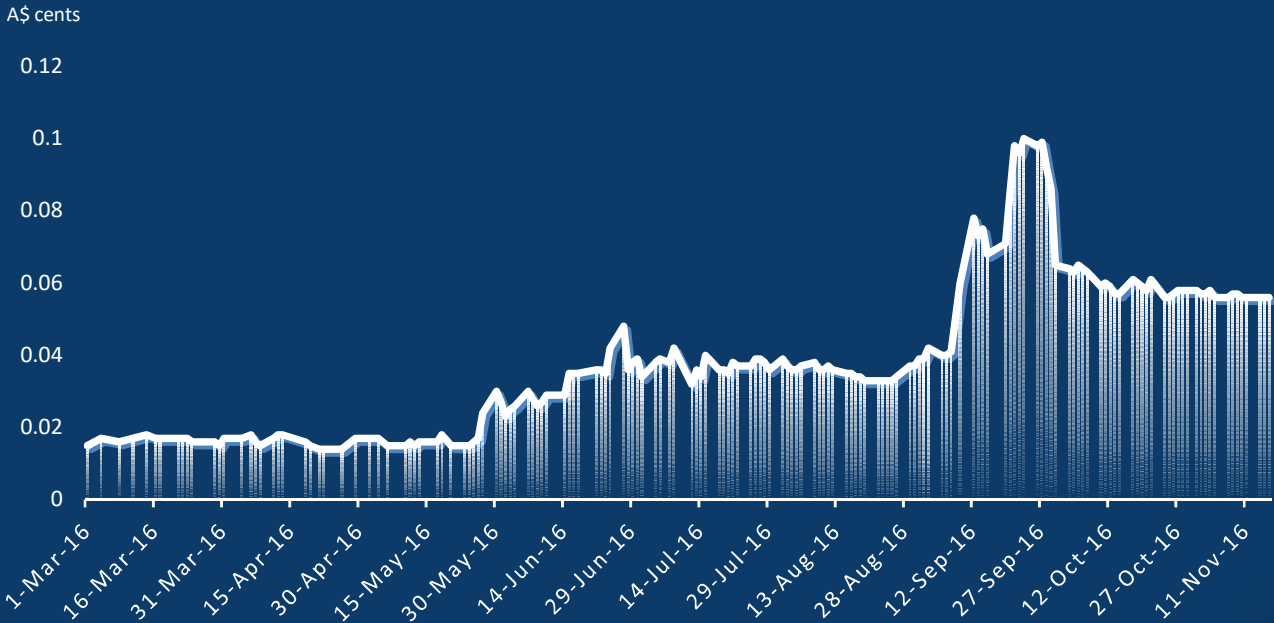
5.7 million
options

Market cap **\$48**_M

Cash **\$6.8**_{M*}

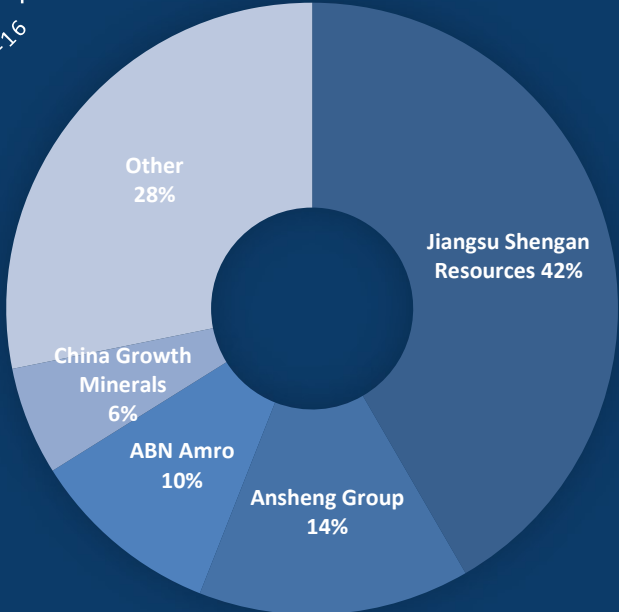
Debt **\$Nil**

Corporate Overview



Recent Share Price

Share Ownership



Corporate Overview

BOARD

Angang Shen

Chairman

Paul Ingram

Deputy Chairman, Independent Non-Executive Director

Paul Thomson

CEO, Managing Director

Anthony Khama

Chairman, A-Cap Botswana Pty Ltd

Michael Liu

Independent Non-Executive Director

John Fisher-Stamp

Independent Non-Executive Director

Jijing Niu

Non-Executive Director

Chenghu Zhu

Non-Executive Director

MANAGEMENT

Ashley Jones

Operations Manager

Nicholas Yeak

Company Secretary

Botswana

- Botswana ranks **FIRST** in Africa for political stability, democracy and rule of law
- Stable, multi-party democracy since 1966
 - Skilled mining work force
 - English speaking
 - Highest GDP per capita in Africa
- **Mining** accounts for **40%** of current **GDP** and is critical for continued economic growth
- Botswana a safe and **secure place to invest** with an easy to understand mineral law and security of tenure



Uranium Market

447 reactors
Operational*

59 under
construction*

513 planned and
proposed*



Uranium Market

**NUCLEAR
ENERGY**



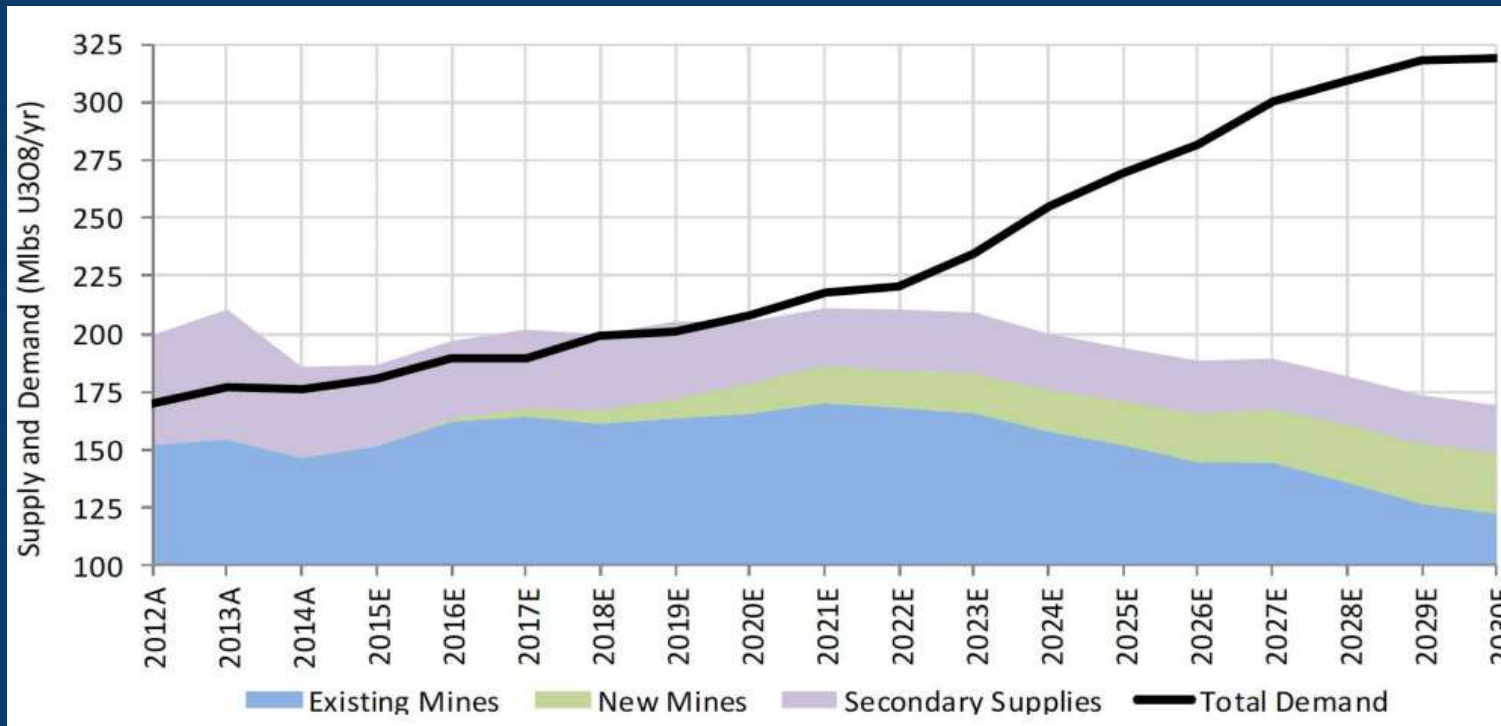
is the fastest
growing ENERGY
source globally

Forecast Uranium Prices



Uranium Market

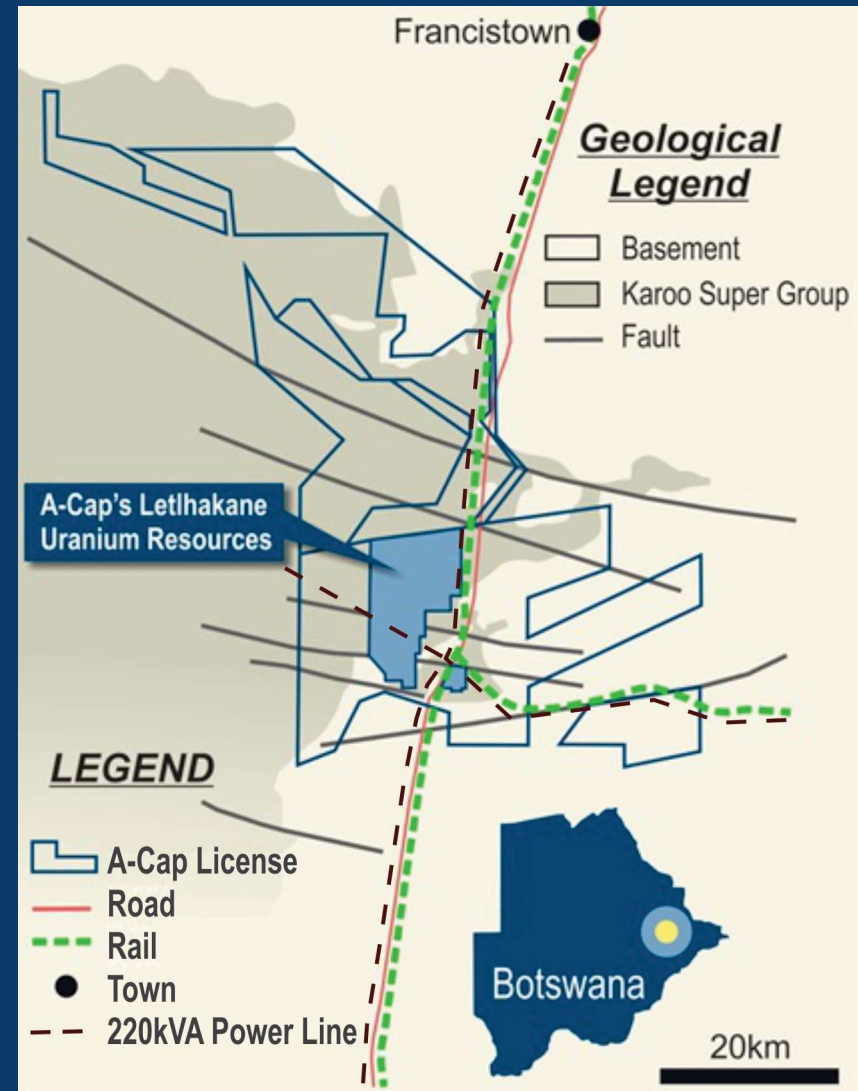
Prices must more than double to incentivise production and head off projected global uranium deficit



Lethakane Uranium Project

- 1st Uranium project in Botswana to secure a **Mining Licence**
- Environmental Impact Statement **approved**
- Provisional surface rights **granted**
- Shallow open pit mining operation with low cost acid heap leach to produce 3 Million pounds U₃O₈ per annum
- Initial construction **CAPEX of US\$351 million**
- **3Mlbs p.a. U₃O₈** life of mine

	DCR	Pre-tax	Post-tax
• Project NPV	8%	383M	240M
• Project IRR		29%	24%
• Operating costs of US\$35/lb U ₃ O ₈ over first 5 years and approximately \$41/lb U ₃ O ₈ over 18 year process life			



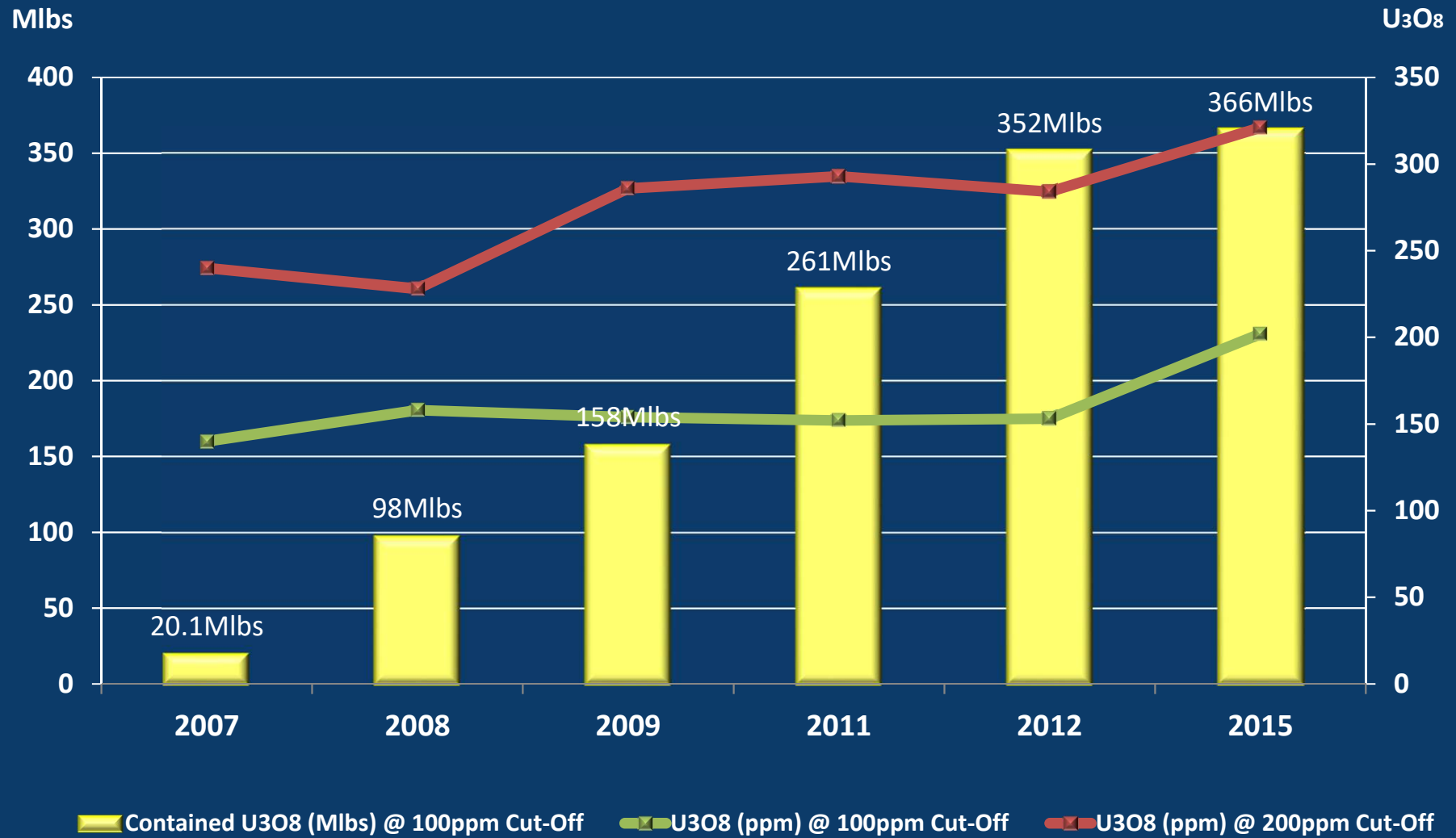
Lethakane - Resource

- **Global top ten** undeveloped uranium resource of 365.7Mlbs
- Re-assessment of **Total Resource was completed in September 2015** using Localised Uniform Conditioning (LUC)
- **LUC** method of resource calculation better reflects the mining method selectivity using continuous miners.

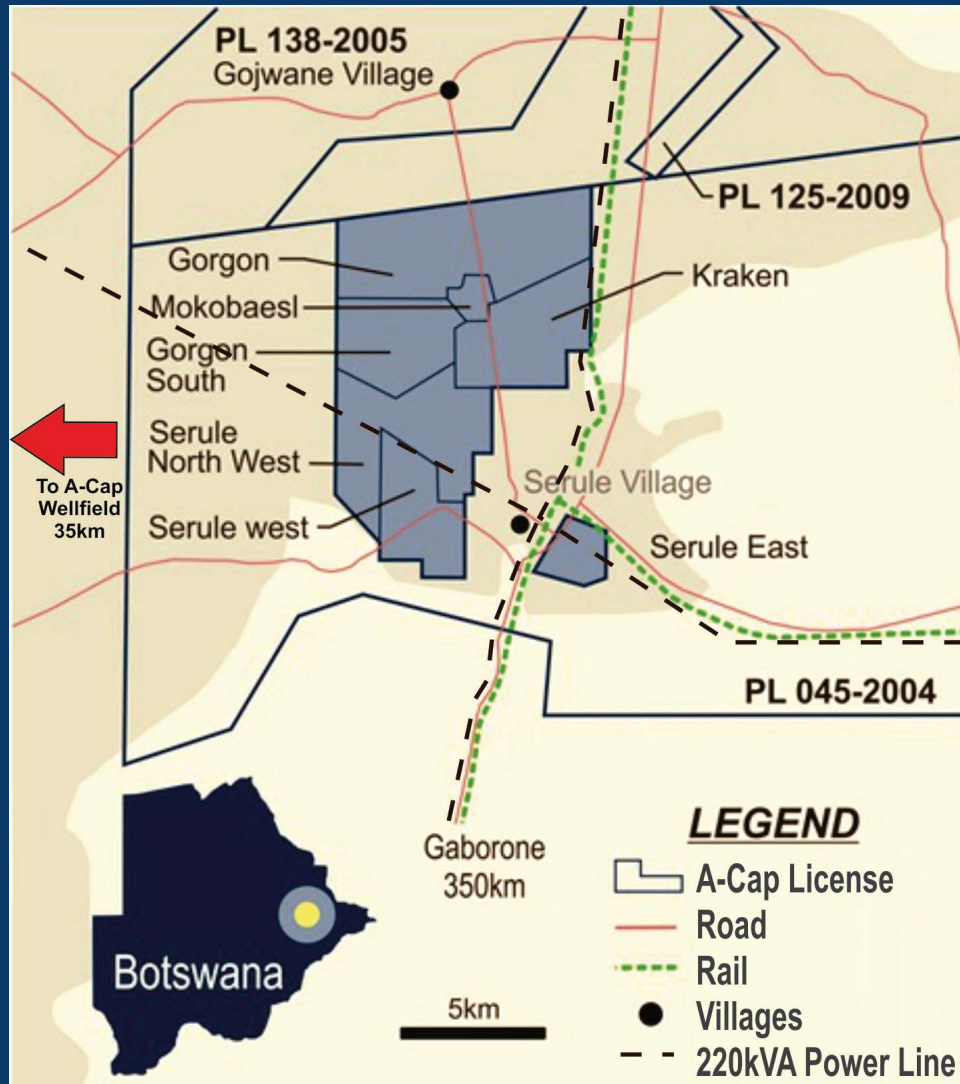
Cut-off (U ₃ O ₈ ppm)	Total Indicated			Total Inferred			Global Total		
	Mt	U ₃ O ₈ (ppm)	Contained U ₃ O ₈ (Mlbs)	Mt	U ₃ O ₈ (ppm)	Contained U ₃ O ₈ (Mlbs)	Mt	U ₃ O ₈ (ppm)	Contained U ₃ O ₈ (Mlbs)
100	197.1	197	85.5	625	203	280.1	822.1	202	365.7
200	59.2	323	42.2	209.7	321	148.2	268.9	321	190.4
300	22.2	463	22.7	81.6	446	80.3	103.8	450	102.9

The above global mineral resource, completed by an independent expert and reported in compliance with the JORC 2012 code, was announced to the market on the 5th October 2015 ("release"). A-Cap confirms that it is not aware of any new information or data that materially affects the information included in the release and, in the case of estimates of mineral resources, that all material assumptions and technical parameters underpinning the estimates in the release continue to apply and have not materially changed.

Resource Growth



Major Infrastructure in Place



- ✓ Rail,
- ✓ Road
- ✓ Power
- ✓ Water

Available

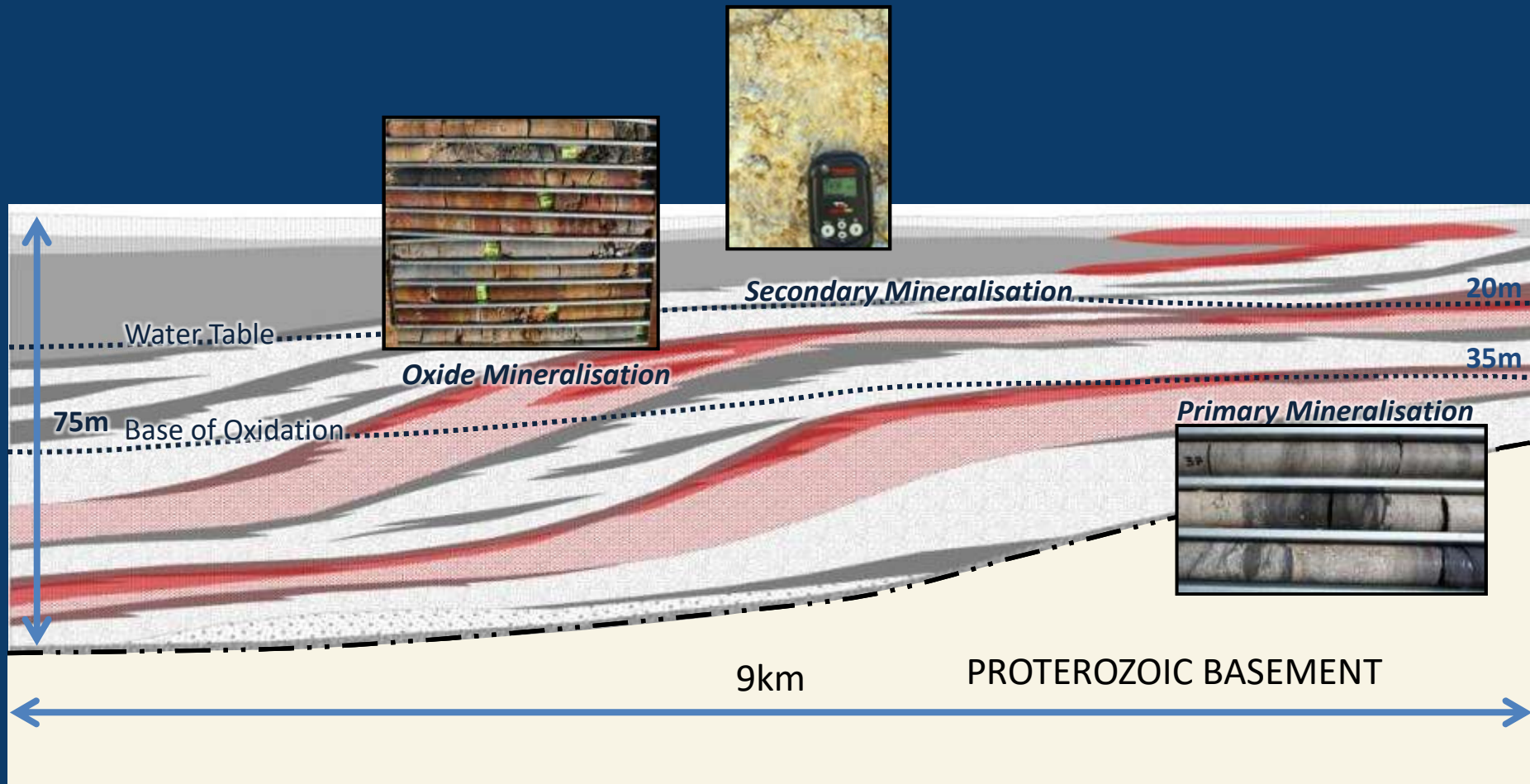


Experienced Management & Technical Team

- Highly experienced technical and operational team
- World best expertise in geology, mining, metallurgy, process design and development engaged
- Team with project development, infrastructure & construction expertise
- Board and management with strong track record of taking projects from exploration to production
- Demonstrated ongoing continuous improvement in project economics



Ore Body – Flat, shallow, easy to mine



- Shallow, Flat, Simple, Easy to mine, dips W at 1°
- Layer cake type deposit with series of upward fining sequences

Mining

- Innovative mining using state of the art surface miners (below) in open pit operation
- Surface miners allow very selective mining, less expensive than conventional mining
- Optimal particle size of 19mm eliminating first stage crushing
- Falling contractors rates for contract mining



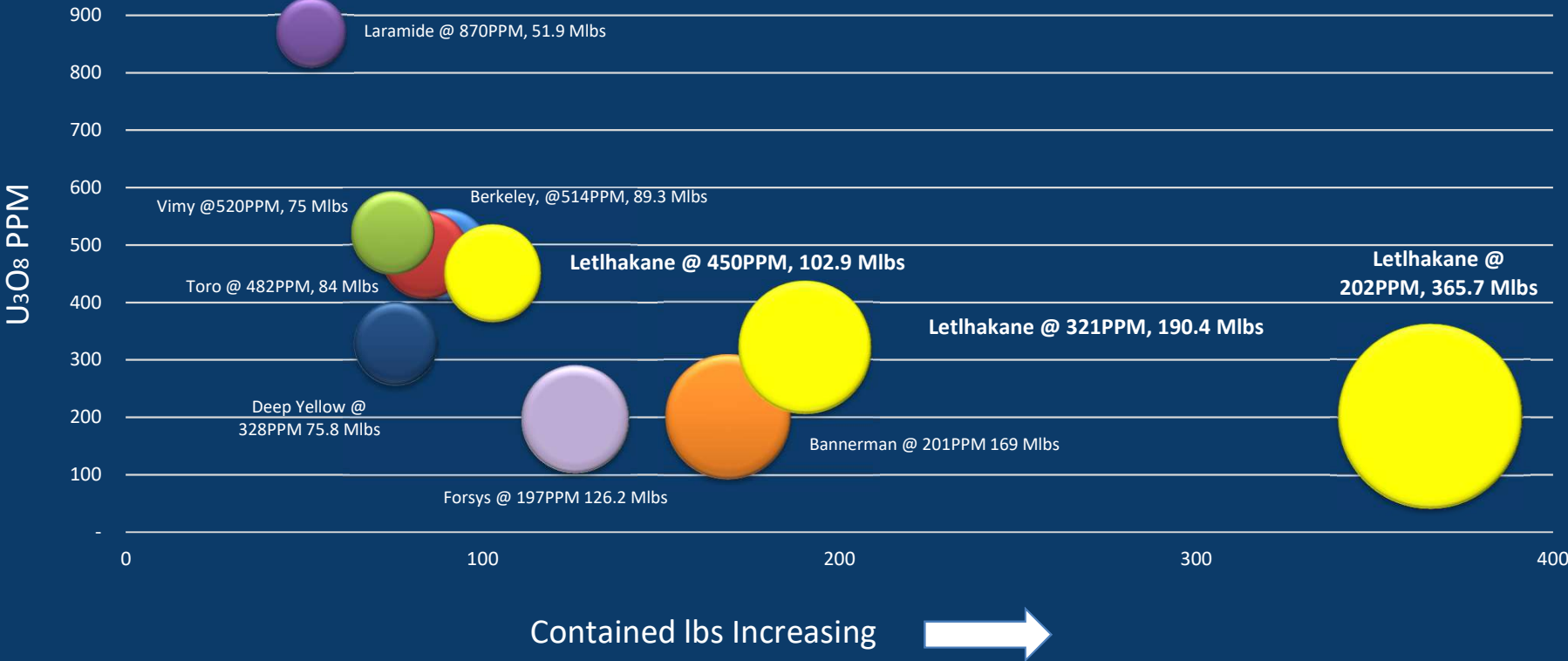
Wirtgen 4200 Direct Loading



Vermeer T1255DD

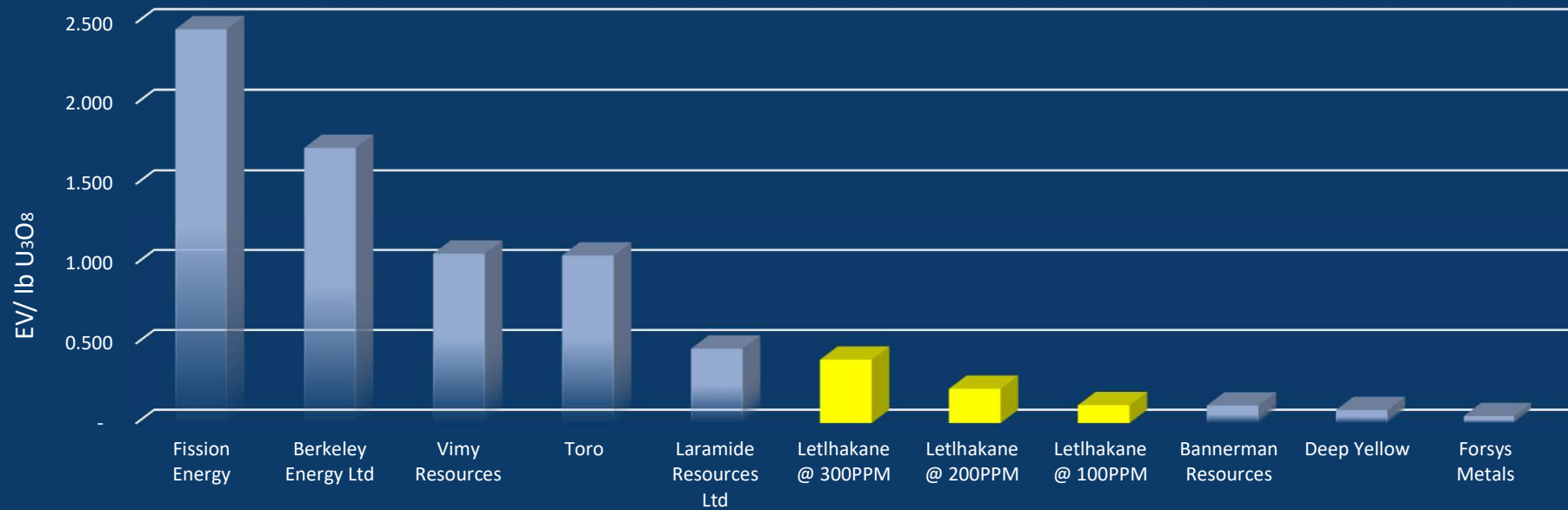
Uranium Market

Peer Group U₃O₈ Deposits: Grade U₃O₈ vs Contained lbs



Uranium Market

Enterprise Value / lb U₃O₈ Mineral Resource

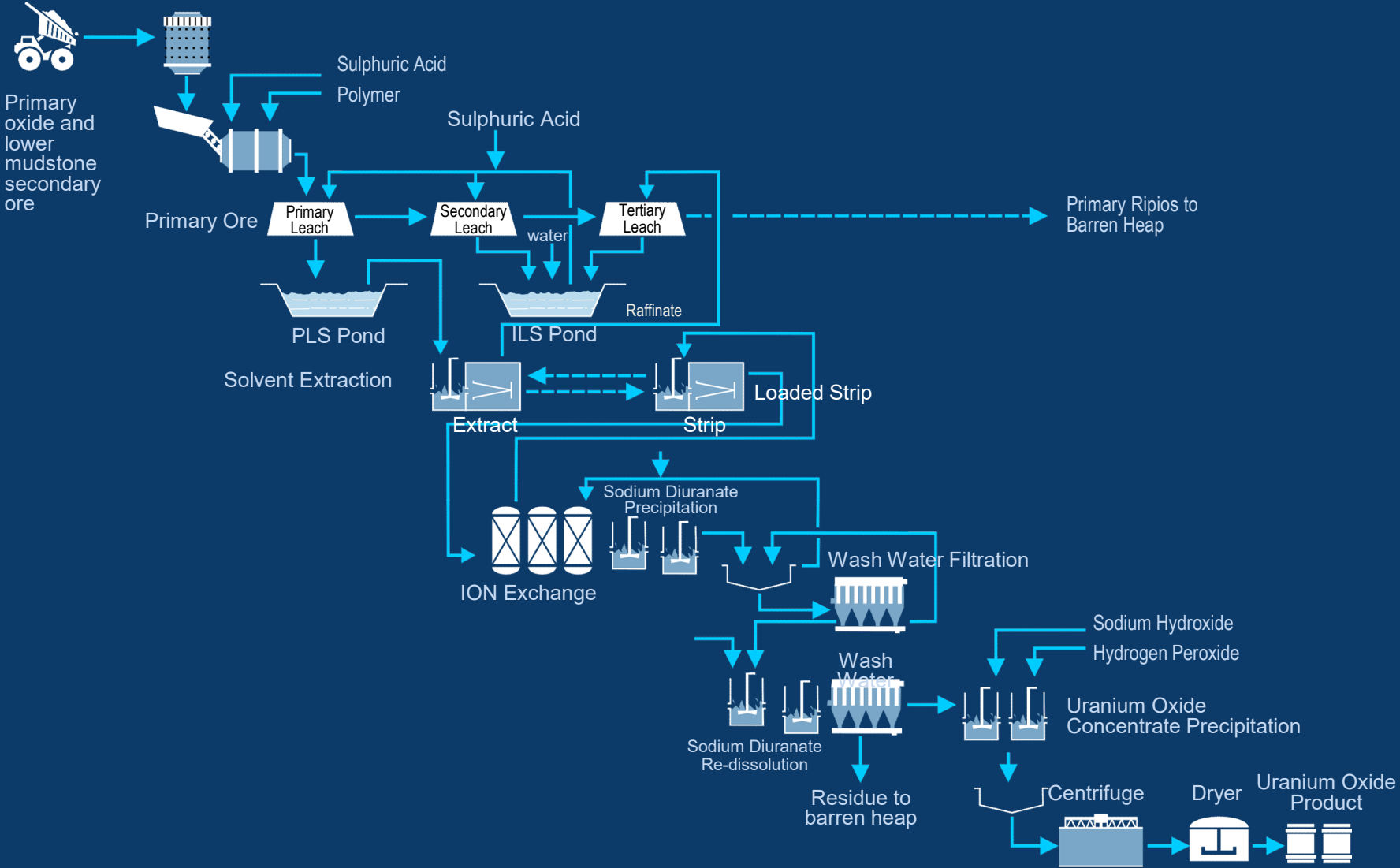


Metallurgy and Process Design



- 4m column leach tests completed at ANSTO & confirm good recoveries
- The PLS from these columns were closed with the SX/IX circuit & achieved excellent recoveries
- Uranium Oxide Concentrate product from the refinery circuit contained low contaminants & no penalty expected
- Low cost and innovative process route
- Acid approx. 50% of total processing costs
- Investigating various options for local feed for our acid plant

Standard Heap Leach Process Plan



Road to Production

- Lethakane has all of the **key ingredients for a successful project** & is one of the largest undeveloped uranium deposits in the world
- The **mining licence was granted** in September 2016.
- Ongoing work through to end 2016 will be directed at **completing a JORC-compliant PFS**
- **Low capital costs**, competitive operating costs, in a stable political and permitting friendly environment
- Project development will take full advantage of **expected uranium price recovery**

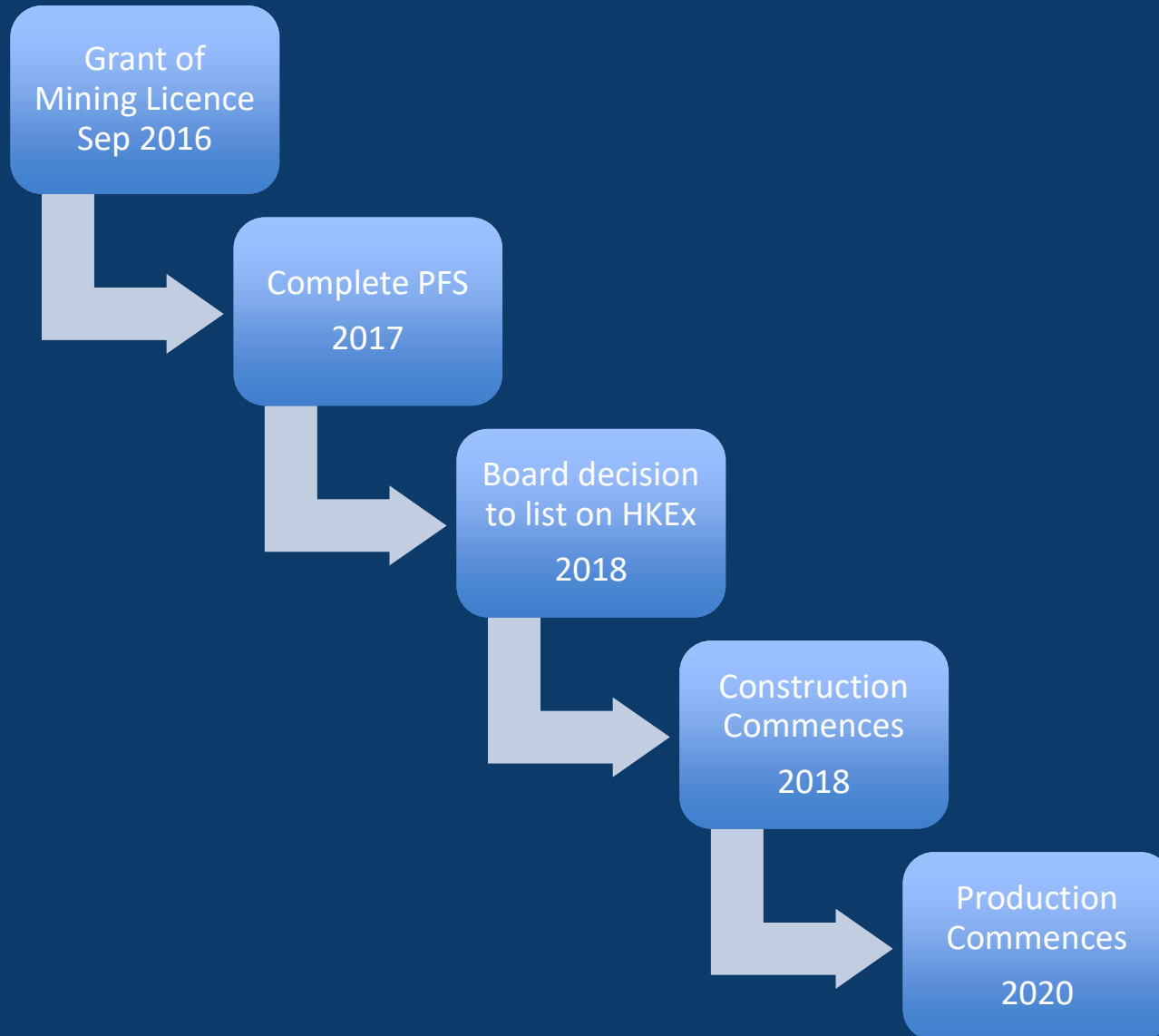


Planned Work

- Work planned for 2017 is to finalise a PFS
- Pilot plant metallurgical work on bulk samples obtained from drilling will be undertaken
- Trial mining in selected areas will be done to assess surface miners as well as obtain better lithological controls on the mineralisation and grade control drilling
- In order for JORC reserves to be refined, further infill drilling is required
- Complete mining studies and pit optimisation and finalise metallurgical and process design work
- Board decision point to list on HK Stock Exchange



Timeline

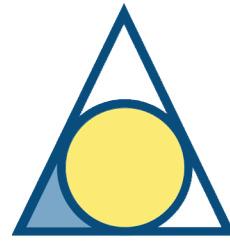


Summary

- **CREATE** – Serious value for shareholders
- **STRATEGY** – Prepare project for early production to capture upswing in the uranium market
- **SCALE** - Very large uranium deposit with significant high grade resource 103.8Mt at 450ppm U₃O₈
- **LOW CAPEX**– Low capital heap leach processing with all infrastructure in place
- **COMPARATIVE ADVANTAGE** - One of the few new sources of production with low Capex, competitive operating costs and low sovereign risk
- **STRATEGIC** - Discussions with strategic partners
- **BOTSWANA** - A safe and stable investment destination
- **STRONG REGISTER** – Strong on-going support from major shareholders

Uranium Investment Proposition

- **URANIUM** – Current price all-time low offering considerable upside
- **LONG LIFE** – The deposit style is perfectly suited to expansion with increasing uranium price. Perfectly suited to end user seeking a reliable long term U_3O_8 supply for nuclear builds.
- **WORLD CLASS** – Letlhakane ranks in the top ten undeveloped deposits in the world
- **SECURE JURISDICTION**– Botswana is a stable country with excellent infrastructure
- **CONTINUAL DE-RISKING**- Recent mining lease submission adds to the continual derisking of this project. Securing off-take and supply arrangements for heap leach processing
- **STRONG SHAREHOLDER BASE** – Well supported by major shareholders Jiangu Shengan Resources, Ansheng Investments & China Growth Minerals



a-cap
RESOURCES LTD

Level 15, AMP Building,
140 St Georges Terrace
Perth Western Australia 6000

Telephone: +61 8 9278 2614
Facsimile: +61 8 9278 2617

www.acap.com.au